

## HOUSE BILL NO. 222

INTRODUCED BY M. LEE

A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING CERTAIN PARENTS TO RECEIVE HEALTH CARE COVERAGE UNDER THE STATE CHILDREN'S HEALTH INSURANCE PROGRAM; DIRECTING THE DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES TO SEEK APPROVAL FOR A DEMONSTRATION PROJECT ALLOWING HEALTH CARE COVERAGE FOR CERTAIN PARENTS; AUTHORIZING AN INCREASED FEDERAL POVERTY LEVEL FOR CHIP PARTICIPATION IN ORDER TO FULFILL REQUIREMENTS FOR THE DEMONSTRATION PROJECT; AMENDING SECTIONS 53-4-1002 AND 53-4-1004, MCA; AND PROVIDING AN EFFECTIVE DATE AND A TERMINATION DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

**Section 1.** Section 53-4-1002, MCA, is amended to read:

**"53-4-1002. (Temporary) Purpose -- definition.** (1) The purpose of this part is to create a program to provide health care to children and certain parents who are not eligible for health care services under the Montana medicaid program. These health care services may be provided by the payment for health care through an insurance plan, a health maintenance organization, or a managed care plan.

(2) As used in 53-4-1003 through 53-4-1005 and 53-4-1007 through 53-4-1010, "program" means the state children's health insurance program. (Terminates on occurrence of contingency--sec. 15, Ch. 571, L. 1999.)"

**Section 2.** Section 53-4-1004, MCA, is amended to read:

**"53-4-1004. (Temporary) Eligibility for program -- rulemaking.** (1) To be considered eligible for the program, a child:

(a) must be 18 years of age or younger;

(b) except as provided in subsection (4), must have a combined family income at or below ~~150%~~ 200% of the federal poverty level;

(c) may not already be covered by private insurance that offers creditable coverage, as defined in 42 U.S.C. 300gg(c);

(d) may not be eligible for medicaid benefits; and

(e) must be a United States citizen or qualified alien and a Montana resident.

(2) A parent who maintains the primary residence of a child who qualifies for the program under subsection (1) or whose child is eligible for medicaid as provided in 53-6-131 may be considered eligible for the program. If parents maintain a residence for the child on an equal-time basis, either or both of the parents may be eligible.

~~(2)~~(3) The department of public health and human services shall adopt rules that establish the program's criteria for residency. The criteria must conform as nearly as practicable with the residency requirements for medicaid eligibility.

~~(3)~~(4) Subject to 53-4-1009(3), rules governing eligibility may also include financial standards and criteria for income and resources, treatment of resources, and nonfinancial criteria.

~~(4)~~(5) If the department determines that there is insufficient funding for the program, it may lower the percentage of the federal poverty level established in subsection (1)(b) in order to reduce the number of persons who may be eligible to participate. The department shall ensure that children whose families have lower income levels are eligible before children whose families have higher income levels are eligible and before parents are eligible. Parents whose families have lower income levels must be served before parents whose families have higher income levels. (Terminates on occurrence of contingency--sec. 15, Ch. 571, L. 1999.)"

**NEW SECTION.** **Section 3. Demonstration project application.** (1) The department of public health and human services is directed to apply for approval of a demonstration project in the state children's health insurance program under section 1115 of the Social Security Act (42 U.S.C. 1315) to implement eligibility for parents who maintain a primary residence for children who are eligible for the children's health insurance program under 53-4-1004(1) or eligibility for parents of children who are eligible for medicaid under 53-6-131.

(2) The department shall report to the children, families, health, and human services interim committee upon application for approval of the demonstration project and upon receiving the decision regarding the demonstration project. However, the department shall report the status of the application by September 1, 2002. If the department does not receive approval for the demonstration project, it shall also include recommendations on what may be required to reapply for approval.

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2        NEW SECTION. **Section 4. Effective date.** [This act] is effective July 1, 2001.

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4        NEW SECTION. **Section 5. Termination.** [Section 3] terminates June 30, 2003.

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